**ECONOMICS – Chapter 5**

**Consumer Rights**

**1. What are the common ways by which the consumers are exploited?**

Underweight and under measurement, substandard quality, high price ,duplicate articles, adulteration and impurities, lack of safety devices, hoarding, black marketing, false or incomplete information, unsatisfactory sale services, rough behavior etc.

**2. Why are rules and regulations required in the market place?**

\* Individual consumers are exploited by the traders and shop keepers in many ways.

\* Whenever there is a complaint regarding a good or service that had been bought, seller tries to shift all the responsibility on to the buyer.

\*Consumers should be aware of this exploitation and require protection in the market place.

**3.What factors gave birth to consumer movement in India? Trace its evolution.**

* In India , the consumer movement as a social force originated with the necessity of protecting and promoting the interest of consumers against unethical and unfair trade practices.
* Rampant food shortages, hoarding, black marketing, adulteration of food and edible oil gave birth to the consumer movement in an organized form in 1960s.
* Till 1970s, consumer organisations were largely engaged in writing articles and holding exhibitions.
* A major step taken in 1986 by the Indian govt was the enactment of the Consumer Protection Act, popularly known as COPRA.

**4. Mention a few factors which cause exploitation of consumers.**

**i) Limited information:**

For a correct decision and choice about a product, a consumer needs full information about the price, quality, production and expiry date, ingredients, address of the manufacturer etc. In the absence of correct information a consumer may get exploited.

**ii) Low literacy:**

Illiteracy causes ignorance which leads to exploitation of consumers. The level of awareness in our country is generally low.

**iii) Limited supplies:**

Limited supply of goods and services are made to exploit the consumers who are compelled to pay more than the actual price.

**5. What is the rationale behind enactment of Consumer Protection Act of 1986?**

Ans. A major step taken by Indian govt. for the protection of consumers is the Consumer Protection ACT of 1986 ( Dec 24 ) popularly known as COPRA.

1. It is enacted for protection and promotion of consumer interest and to redress the grievances.
2. Under this act a consumer does not need to employ a lawyer or a professional for legal assistance. He himself can plead in the consumer court by making a complaint on a plain paper along with supporting documents.

**6. Describe some of your duties if you visit a shopping complex in your locality?**

* The consumer must make complaints for their genuine grievances.
* To ask for cash memo for the items purchased.
* To purchase quality marked products such as ISI, Agmark & insist for a warranty card.
* To assert and act to ensure that the consumer gets a fair deal.
* Consumers must know the rights and must exercise them.

**7. What legal measures were taken by the government to empower the consumers in India?**

* **Legislative measures :-**

The govt. enacted a specific law called consumer protection act in 1986. This act settles the disputes of consumer grievances. It also set up a 3 tier judicial machinery known as consumer courts at the district, state & national level.

* **Administrative measures :-**

This includes the public distribution system (PDS) which is expected to prevent hoarding, black marketing, over charging by the traders etc.

* **Technical measures :-**

This consist of standardization of products. In India this has been achieved from the Bureau of Indian Standards (BIS) which was earlier known as Indian Standard Institution (ISI).

**8. What is the three-tier quasi-judicial machinery set up for redressal of consumer disputes? Mention their jurisdiction.**

**Ans.** A three- level judicial machinery was set up for the redressal of consumer disputes at the district , state and national level.

Claims up to which they deal are:

a)District level courts – upto Rs. 20 lakhs

b)State level courts – Rs. 20 lakhs to Rs. 1 crore

c)National level - Exceeding RS. 1 crore

If a case is dismissed in district level court, the consumer can also appeal in state and

in national level courts.

**9. By what means can the consumers express their solidarity (unity).**

**\*** By active involvement in consumer courts.

\* It requires a voluntary effort and struggle involving the participation of all.

\* Through organized groups and their activities.

**10. Critically examine the progress of consumer movement in India.**

* The consumer movement in India has made some progress in terms of numbers of organized groups and their activities. There are today more than 700 consumer groups in the country of which only about 20-25 are well organized and recognized for their work.
* The consumer redressal process is becoming cumbersome (unmanageable), expensive and time consuming.
* In most of the cases , the consumers are required to engage lawyers. These cases require time for filing and attending court proceedings.
* In most purchases cash memos are not used hence evidence is not easy to gather.
* After 20 years of enactment of COPRA, consumer awareness in India is spreading but slowly.

**11.Explain the need for consumer consciousness by giving two examples.**

**Ans**. The consumers should be aware of the facts as they have the right to information. When we as consumers become conscious of our rights, while purchasing various goods and services, we will be able to discriminate and make informed choices. This can be explained through **two cases**:

1. **Reji**’s suffering shows how a hospital, due to negligence by the doctor in giving Anaesthesia , crippled a student for life. His father filed a case and got an amount of Rs.50000.
2. **Amritha**, an engineering graduate who attended interview for a job was not informed the result after many months. When she filed a case (RTI act), she got appointment.

**12. Mention some of the rights of consumers and write a few sentences on it.**

1. **Right to safety:**

While using many goods and services, the consumers have the right to be protected against the marketing of goods and delivery of services that are hazardous to life and property. For eg. The manufacturers of safety valve of pressure cookers have to ensure high quality which can cause serious accidents.

**2.Right to be informed:**

The consumers have the right to be informed about the details of goods and services that they purchase. Eg. Details of ingredients used, price, batch number, date of manufacture, expiry date, address of the manufacturer, nutritional facts, directions for proper use and side effects of medicines etc.

**3.Right to choose:**

The manufacturer should not use aggressive selling techniques to sell a particular product without giving the consumer a chance to choose from alternative products available. For eg. Some gas suppliers insist that you have to buy the stove from them, when you take a new connection. If you are not interested in buying the stove your right to choice is denied.

**4. Right to seek redressal:**

Consumer has the right to seek redressal against unfair trade practices and exploitation. If any damage is done to a consumer, he has the right to get compensation depending on the degree of damage.

**5.Right to represent:**

According to the COPRA , the consumers have the right to represent in the consumer courts even without hiring a lawyer.

**13.Explain how the Govt of India protects the interests of the consumers by Standardisation of products.**

**Ans.** Standardisation of products is an impotant measure taken by the govt. to protect the consumers from lack of quality and varying standards of goods. The stadardisation logos and the institutions are:

* + **Bureau of Indian standards (BIS):**

It is the national standard certifying body of India. BIS has the responsibility of laying down the standards for industrial and consumer goods on a scientific basis and certifying the goods that meet the standards and prescribed quality.

* + - **ISI mark:** It is a certification mark for industrial products in India. The mark certifies that a product conforms to the Indian standards developed by BIS.

ISI mark is mandatory for some products that affect the safety of consumers or products of mass consumption like LPG cylinders, cement, kithen applainces, swithes wiring cables etc.

* + - **BIS Hallmark:** It is a marking system for gold and silver jewellery sold in India certifying to the purity of the metal.
    - **Agmark:** It is a certification mark employed on agricultural products in India such as pulses, cereals, edible oils etc.
    - **International Organisation for Standardisation (ISO):**

It is an international standard setting body composed of representatives from various national standard organisations. It was founded on Feb 23, 1947 and has its headquarters in Geneva, Switzerland.

**14.Explain the following unfair trade practices.**

* + - **Adulteration:** It is a process of adding inferior substances in costly items like oil, ghee, spices etc.
    - **Black marketing:** It refers to the selling of goods at higher price by creating an artificial shortage in relation to demand.
    - **Hoarding:** It is a situation in which the goods that are meant for public sale are kept in godowns illegally without reporting to the govt.

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